

UNEDITED

The Rural Telephone Act

being

Chapter 96 of *The Revised Statutes of Saskatchewan, 1920*
(assented to November 10, 1920).

FOR HISTORICAL REFERENCE ONLY

NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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CHAPTER 96

An Act respecting Rural Telephone Systems

SHORT TITLE

Short title

- 1 This Act may be cited as *The Rural Telephone Act*.

1918-19, c.48, s.1; R.S.S. c.96, s.1.

INTERPRETATION

Interpretation

- 2 In this Act, unless the context otherwise requires, the expression:

“Company”

1. “**Company**” means a company organised under the provisions of this Act;

“Department”

2. “**Department**” means the Department of Telephones and Telegraphs;

“Foreign telephone system”

3. “**Foreign telephone system**” means a telephone system in operation outside the limits of Saskatchewan;

“Minister”

4. “**Minister**” means the Minister of Telephones, and Telegraphs, or any other member of the Executive Council to whom the Lieutenant Governor in Council may for the time being assign the administration of this Act;

“Municipal telephone system”

5. “**Municipal telephone system**” means a telephone system constructed, maintained and operated under the provisions of *The Municipal Telephone Act*;

“Person”

6. “**Person**” includes a firm, company, corporation, municipal corporation, Government or an association or aggregation of individuals;

“Pole mile”

7. “**Pole mile**” means a lineal mile in any rural telephone system necessarily occupied by telephone poles strung with one or more wires for the use of such system;

“Private telephone system”

8. “**Private telephone system**” means a telephone system which by the law of the province any person has been authorised to construct, control or operate in Saskatchewan;

“Public telephone system”

9. “**Public telephone system**” means a telephone system under the control, management and operation of the minister;

“Resident occupant”

10. **“Resident occupant”** means a person actually residing on land which is chargeable with a levy for telephone purposes under this Act, as owner, tenant, lessee or purchaser under an agreement for sale;

“Rural municipality”

11. **“Rural municipality”** means a rural municipality or local improvement district;

“Rural telephone system”

12. **“Rural telephone system”** means a telephone system owned, controlled and operated by a company under the provisions of this Act;

“Secretary”

13. **“Secretary”** means the secretary of the company who shall also act as treasurer;

“Telegraph system”

14. **“Telegraph system”** means a system of telegraph or telephone lines used for the transmission of telegraph messages and includes all plant, trunk lines, branch lines, stations, toll offices, exchanges, depots, instruments, equipment, poles, wires, property real and personal and works connected therewith;

“Telephone system”

15. **“Telephone system”** means a system of telephone lines used for the transmission of communications by telephone and includes all plant, long distance lines, branch lines, stations, toll offices, exchanges, depots, instruments, equipment, poles, wires, cables, property real and personal and works connected therewith.

1918–19, c.46, s.2; R.S.S. c.96, s.2.

 PART I

ORGANISATION

Organisation of company

3 Any five or more persons residing in the province may petition the minister for permission to organise a company for the construction, maintenance and operation of a rural telephone system for their mutual benefit;

1918–19, c.40, s.3; R.S.S. c.96, s.3.

Petition

4 Every such petition shall be accompanied by:

(a) all plans, specifications, drawings and estimates of the proposed system required by the regulations of the department;

(b) a statement of the amount at which it is proposed to capitalise the company;

(c) a statement of the amount to be raised by the sale of debentures or otherwise for the purpose of providing for the system;

- (d) a schedule of the rates, rentals and tolls which it is proposed to fix and charge for telephone service and the cost of maintenance, operation and management;
- (e) satisfactory evidence that the majority of the resident occupants liable to be charged or taxed under this Act for telephone purposes are to be shareholders of the company;
- (f) satisfactory evidence that there has been collected from the subscribers of the capital stock of the company a sum in cash amounting to at least \$5 for each pole mile of the system proposed to be constructed.

1918-19, c.46, s.4; R.S.S. c.96, s.4.

Company registered under *The Companies Act*

5(1) Upon receipt of the petition and upon being satisfied that the prayer of the petitioners should be granted, the minister shall grant the necessary permission, and notify to that effect the petitioners who may thereafter take all steps necessary to secure the organisation, incorporation and registration of the company under *The Companies Act*.

(2) No fees or charges of any kind, shall be payable in connection with the formation, incorporation or registration of a company, notwithstanding anything contained in *The Companies Act* to the contrary.

1918-19, c.46, s.5; R.S.S. c.96, s.5.

Limit of capital

6 The capital of a company shall not exceed \$10 for each pole mile of line to be constructed, but may with the approval of the minister be increased from time to time provided the reasons given in the application for the increase are satisfactory.

1918-19, c.46, s.3; R.S.S. c.96, s.6.

Shares

7(1) The capital of every company shall be divided into shares of \$5 each.

(2) No more than four shares not less than one shall be allotted to any one subscriber.

(3) No subscriber shall take less than one share.

(4) The amount of the capital stock collected from the shareholders shall be available for defraying all costs and expenses of organisation, and any balance thereafter remaining may be used for any of the purposes of the company.

1918-19, c.46, s.7; R.S.S. c.96, s.7.

PART II

Powers and Duties of Companies

SERVICE AND INTERCHANGE OF SERVICE

Duties as to service

8(1) A company which provides a telephone system under this Act shall upon the written request of any resident occupant furnish such occupant with telephone service and charge for same at the same rate as such service is supplied to other subscribers.

(2) Any person making such request shall become a shareholder of the company and shall pay to the company upon his in share or shares an amount at least equal to the minimum amount paid by any other shareholder.

1918-19, c.46, s.8; R.S.S. c.96, s.8.

Common lead line

9(1) An agreement that two or more companies shall construct or use a common telephone lead or reconstruct or improve any such lead, or that any company shall make use of any long distance lead owned by the province may be entered into.

(2) Any sum payable under such an agreement as an annual charge, other than for maintenance and repair, shall be regarded as part of the original cost of the telephone system and as such shall be taken into account in determining the amount to be levied annually on each parcel of land as set on in section 42.

1918-19, c.46, s.9; R.S.S. c.96, s.9.

Interchange of telephone service

10 A company may subject to the approval of the minister enter into an agreement or agreements with any person owning, controlling, or operating a private, foreign or other telephone system for the connection, intercommunication, joint operation, reciprocal use or transmission of business as between any such system and the company's rural telephone system including such arrangements as shall be deemed advisable for the proper apportionment of expenditures and commissions, the division of receipts and profits, and the payment of compensation or such other adjustments as may be necessary.

1918-19, c.46, s.10; R.S.S. c.96, s.10.

Minister may require company to enter into agreement

11 If a company organised under this Act or a person owning, controlling or operating a private or other telephone system within Saskatchewan refuses or neglects to enter into an agreement for any or all of the purposes mentioned in section 10, the minister may issue an order providing for such connection, intercommunication, joint operation, reciprocal use or transmission of business upon such terms and conditions as he may deem advisable.

1918-19, c.46, s.11; R.S.S. c.96, s.11.

EXTENSION AND SALE OF SYSTEMS

Extension of system

12(1) A company may undertake an extension of its telephone system with the approval of the minister upon furnishing him with the information called for by section 4 in so far as applicable to the proposed extension, and satisfactory evidence that:

- (a) all shareholders of the company have been served with a notice of the proposed extension as set forth in the resolution;
- (b) it has secured as shareholders a majority of the occupants residing on lands affected by the extension and liable, along with the lands included in previous debenture issues of the company, to be charged with payment of the debenture for the cost of the entire system including such extension, as provided by section 24 ; and
- (c) each such shareholder has paid to the company in cash the price of at least one share of stock.

(2) The provisions of sections 28 to 31 shall apply to such extension in the same manner as to the construction of an original line.

1918-19, c.46, s.12; R.S.S. c.96, s.12.

Areas for systems

13 The minister may determine and define the area within which the system of any rural company shall be constructed.

1918-19, c.46, s.13; R.S.S. c.96, s.13.

Extension within municipality

14 The Lieutenant Governor in Council may, subject to such terms and conditions as may be deemed advisable, grant to any company power and authority to construct, extend, maintain and operatr any portion of its telephone system within the limits of any municipality.

1918-19, c.46, s.14; R.S.S. c.96, s.14.

Sale of systems

15(1) No sale or disposal by a company of any portion of its telephone system shall be made without the approval of the minister.

(2) In the order giving such approval due provision shall be made to protect the holders of every debenture issued by the company from being prejudiced with regard to their rights or securities.

(3) Every such order shall be binding upon all parties concerned to the same extent as though its provisions were part of this Act.

1918-19, c.46, s.15; R.S.S. c.96, s.15.

ACQUIRING, TRANSFERRING AND ENTERING UPON LAND

May acquire lands

16(1) A company may by its surveyors, engineers, agents, workmen or servants at any time enter upon, take, use or acquire land or property in whomsoever vested required for its use, and may through its officers, agents and servants do all such acts and things on or in relation to such land or property as may be necessary, advisable or expedient for the construction, maintenance, extension or improvement of its telephone system.

(2) A company shall when required so to do compensate the owner or owners or persons interested therein for loss of or injury to land or property which it enters upon takes, uses or acquires as provided by this section, and for all damages sustained by such owner or persons interested in or by the execution of all or any of the powers conferred upon the company.

(3) In case the amount of compensation cannot be mutually agreed upon by the parties concerned the same shall be determined in the manner provided by *The Arbitration Act*.

1918–19, c.46, s.16; R.S.S. c.96, s.16.

Transfer of lands to another company

17(1) A transfer from one company to another of any of the lands which by this Act are charged with a levy for telephone purposes may be arranged for and made by the minister by a written order setting forth the terms and conditions under which the transfer shall take place.

(2) In every such order provision shall be made to protect any debenture holder concerned from being prejudicially affected in his security.

1918–19, c.46, s.17; R.S.S. c.96, s.17.

Company may enter lands and premises

18(1) A company by its surveyors, engineers, agents, workmen or servants may, as often as is thought proper in the exercise of its powers, and without the consent of any municipal council or other authority enter upon and break and open up any highway, road, street, lane or other public place not within the limits of a city, town or village for the purpose of erecting poles and stringing wires or cables thereon or thereto.

(2) In all cases the surface of the ground so broken or opened up shall be restored as far as possible to its former condition by and at the expense of the company.

(3) The company shall not interfere or permit or sanction the interference with the public right of travel, or in any way obstruct or permit the obstruction of the entrance to any door or gateway or the free access to any building or property, or unnecessarily cut down or mutilate or permit the cutting down or mutilation of any trees.

1918–19, c.46, s.18; R.S.S. c.96, s.18.

BOOKS AND ACCOUNTS

Books and accounts

19(1) Every company operating a telephone system under this Act shall cause to be kept books and accounts of the assets and liabilities, receipts and disbursements for and on account of such system.

(2) Such books and accounts shall be kept in such form as may be prescribed by the minister, and shall be closed and balanced on the thirty-first day of December in each year.

(3) Every such company shall, as soon as may be after the thirty-first day of December in each year, have an audit of its books and accounts for the year ending on that date made by some duly qualified person, but no one who at the time the appointment is made or during the preceding year, is or was secretary of the company or who has any share or interest in a contract made by the company for the doing of any work or the supplying of labour or materials, or who is employed by the company in any other capacity than that of auditor, shall be appointed auditor.

(4) The company may appoint an incorporated company or partnership as auditor.

(5) The auditor shall, immediately upon completion of his audit, forward a copy of his report to the minister certified correct, and, in default of so doing, shall be guilty of an offence and liable on summary conviction to a penalty not exceeding \$2 per day for every day during which the default continues.

1918-19, c.46, s.19; R.S.S. c.96, s.19.

ADDITIONAL POWERS

Additional powers of companies

20 In addition to all other powers conferred upon companies by this Act every company may subject to the approval of the minister:

- (a) acquire by purchase, lease or otherwise any private or rural telephone system;
- (b) dispose by sale, lease or otherwise of the whole or any portion of its system;
- (c) make such rules and regulations for the maintenance, operation and management of its system as it deems advisable.

1918-19, c.46, s.20; R.S.S. c.96, s.20.

MISCELLANEOUS DUTIES

Annual guarantee bond

21(1) In addition to the guarantee bond referred to in subsection (4) of section 35, every company shall obtain annually a bond or covenant of some guarantee company licensed to do business in the province for an amount sufficient to secure the due accounting by the secretary of the company for all moneys that come to his hands other than the proceeds of debentures.

(2) In case a company desires the department to arrange for and obtain such bond on its behalf the department shall do so upon receipt from the company of the amount required to be paid as premium for such guarantee.

(3) All bonds required by this section shall be in such form as shall be approved by the minister and shall be deposited and kept in the department for the benefit of the company.

1918-19, c.46, s.21; R.S.S. c.96, s.21.

Yearly statement to the minister

22(1) During the last week in January of each year the secretary of every company shall transmit to the minister, in such form as shall be prescribed by him, a statement of its standing and operation for the preceding year.

(2) The secretary of every company shall from time to time when called upon so to do furnish such additional information respecting the company and its telephone system as may be required by the department or any of its officers.

1918-19, c.46, s.22; R.S.S. c.96, s.22.

PART III

Financial Provisions

LOANS AND DEBENTURES

Power to borrow for construction, purchase or extension of telephone system

23(1) Every company may raise by way of loan on debenture such amount as may be required for:

- (a) constructing, reconstructing or improving a telephone system;
- (b) purchasing or otherwise acquiring the use of the whole or any part of an existing system; and
- (c) adding to or extending any such system.

(2) The total amount which may be borrowed under the provisions of this section shall not exceed, except by order of the minister, \$350 per mile of the company's system including any extension thereof.

1918-19, c.46, s.23; R.S.S. c.96, s.23.

Resolution authorising loan

24(1) Every such loan shall be authorised by the directors at a regularly called meeting by passing a resolution of the company in that behalf (form A), which resolution shall be duly entered in the minutes of the meeting.

(2) Subject to the provisions of subsection (4) every such resolution shall contain an enumeration and description of all parcels of land that are to be charged with payment of the proposed loan, and of any instalment still to accrue of debenture indebtedness in respect of the original system and previous extensions.

- (3) The land so to be described shall include:
- (a) every quarter section on either side of the route of the proposed telephone line or lines or of any extension thereof when such extension is provided for under section 12;
 - (b) every quarter section any part of which lies within a distance of 100 yards from the proposed line or lines or any extension thereof when such extension is provided for under section 12;
 - (c) every parcel of land less than one quarter section in area when situated as described in clause (a) or (b).
- (4) If any portion of a rural telephone system lies or is to be constructed within the limits of a city, town or village, none of the lands within such municipality shall be enumerated or described in the said resolution.
- (5) A parcel of land which is made subject, under the provisions of this Act, to a levy for telephone purposes by a company shall not be subject to a levy by any other company until the debenture indebtedness of the first company is fully paid.
- (6) The lots or blocks of land in a hamlet shall not be chargeable with a levy for the purposes of a rural telephone company nor shall it be obligatory upon a company to furnish a service to such lots or blocks.

1918-19, c.46, s.24; R.S.S. c.96, s.24.

Liability of occupant of Crown lands

25 Where the title to a parcel of land, otherwise chargeable with payment of a proposed loan, is in the Crown, the land itself shall not be liable for any levy under this Act, but the occupant may be personally charged therewith in respect of his occupancy.

1918-19, c.46, s.25; R.S.S. c.96, s.25.

Notice

26(1) Upon the passing of a resolution as provided for in section 24, the secretary of the company shall within six days thereafter cause to be delivered to each shareholder, and to each resident occupant of the lands enumerated in the resolution, a notice (form B) setting forth the decision of the company respecting the proposed loan.

(2) In the absence from home of a shareholder or resident occupant such notice may be delivered to some adult person at the residence of the absentee.

1918-19, c.46, s.26; R.S.S. c.96, s.26.

Objection by shareholders

27 If a shareholder or resident occupant objects to the proposed loan, he shall within seven days of the delivery of the notice referred to in section 25 hand to the secretary or leave at his office or place of residence a written statement of his objections.

1918-19, c.46, s.27; R.S.S. c.96, s.27.

Secretary's duty

28 After the lapse of fifteen days from the passing of the resolution referred to in section 24 the secretary shall transmit to the minister:

- (a) a copy of the said resolution certified as correct and attested by the signatures of the president and secretary of the company;
- (b) a statutory declaration by the secretary of the company (form C) that all notices have been delivered as provided by section 26;
- (c) any objections to the proposed loan received by the secretary under the provisions of section 12.

1918-19, c.46, s.28; R.S.S. c.96, s.28.

Submission by minister to Local Government Board

29 Upon receipt of the documents referred to in section 28 and upon being satisfied that:

- (a) the several conditions required by the Act have been substantially complied with; and
- (b) the estimated expenditure for the proposed work is reasonable and necessary for the purposes for which it is to be made;

the minister shall submit to the Local Government Board a statement to that effect.

1918-19, c.46, s.29; R.S.S. c.96, s.29.

Authorisation by Local Government Board

30(1) Notwithstanding anything in *The Local Government Board Act*, the Local Government Board, upon receipt of such statement and upon satisfying itself that the security for the debenture is sound, shall authorise in writing the issue of debentures to an amount which will, in the opinion of the board, yield on sale the sum stated by the minister to be necessary, and shall publish notice of such authorisation in *The Saskatchewan Gazette*.

(2) Every such notice shall contain, in addition to other particulars, a description and enumeration of the lands to be charged with the repayment of the debentures authorised.

1918-19, c.46, s.30; R.S.S. c.96, s.30.

Loan raised by debentures

31(1) Every loan shall be raised by the issue and sale of a debenture or debentures of the company (form D) and the proceeds of the sale together with any interest that may accrue thereon shall be deposited in a chartered bank to the credit of the company in a special account to be drawn on from time to time as expenditures are made for the purpose of constructing, adding to or improving its telephone system.

(2) No such expenditure shall be made on account of ordinary maintenance and repair or for operation.

1918-19, c.46, s.31; R.S.S. c.96, s.31.

Requisites of debenture

32(1) Every debenture issued under the provisions of this Act:

- (a) shall run for such period not exceeding fifteen years as is set forth in the resolution referred to in section 24;
- (b) shall not bear interest at a greater rate than eight per centum per annum;
- (c) shall be sealed with the corporate seal and signed by the president and secretary of the company;
- (d) shall be registered by the department and countersigned by the minister as provided by section 35.

(2) Debentures may be dated at any time within, twelve months from the date on which notice of the authorisation appears in *The Saskatchewan Gazette*, and the first instalment of principal and interest may be made payable at any time within eighteen months of the date of the debenture.

(3) In the event of the first instalment of principal and interest of a debenture being made payable at any time after one year from its date as provided in subsection (2), such debenture may run for such longer term than fifteen years as may be necessary to allow of repayment in fourteen years from the date of the payment of said first instalment.

1918–19, c.46, s.32; R.S.S. c.96, s.32.

Debenture shall create lien on the land

33 Every debenture issued under the provisions of this Act and countersigned by the minister shall bind the company for any loan raised or borrowed on the security thereof and shall create a charge or lien for the payment thereof and the interest thereon against all the property of the company and against every tract or parcel of land enumerated and described in the notice of authorisation mentioned in section 30.

1918–19, c.46, s.33; R.S.S. c.96, s.33.

Registration

34 Every debenture before being issued shall be sent for registration to the minister who shall cause a proper record to be kept of the same.

1918–19, c.46, s.34; R.S.S. c.96, s.34.

Effect of countersigning by minister

35(1) Upon receipt of a debenture the minister shall, if satisfied that the requirements of this Act have been substantially complied with, and that the authority to make the loan has not been withdrawn, register and countersign the debenture.

(2) Such countersigning by the minister shall be conclusive evidence that all the formalities in respect to the loan and the issue of the debenture have been complied with, and the legality of the issue of such debenture shall be thereby conclusively established so that its validity shall not be questionable by any court in Saskatchewan, and it shall be a good and indefeasible security in the hands of any *bona fide* holder.

(3) The signature of the Deputy Minister of Telephones and Telegraphs on any debenture heretofore or hereafter issued is and shall be equivalent to counter-signature by the minister.

Guarantee bond furnished by secretary

(4) Every debenture duly countersigned shall be retained by the department until a bond or covenant of some guarantee company authorised to do business in the province has been furnished by the company to secure the due accounting by its secretary of all moneys that come into his hands as the proceeds of such debenture.

(5) The said bond shall remain in force for one year or for such further time as the minister may require and shall be in such form and for such amount as he shall approve.

1918-19, c.46, s.35; R.S.S. c.96, s.35.

Debenture register

36(1) Every company issuing a debenture under the provisions of this Act shall keep a book to be known as the debenture register in which shall be entered particulars of every debenture issued.

(2) Every debenture issued shall have written, printed or stamped thereon a memorandum signed by the secretary with the proper particulars inserted therein in the following form:

Registered in the Debenture Register as No. _____ this _____ day
of _____ 19_____.

.....
Secretary treasurer.

1918-19, c.46, s.36; R.S.S. c.96, s.36.

Application of proceeds

37 A separate record shall be kept of the proceeds of every debenture issued and sold under the provisions of this Act, and it shall be unlawful to use any part of such proceeds to meet organisation or other expenses including the cost of maintaining, repairing or operating a telephone system.

1918-19, c.46, s.37; R.S.S. c.96, s.37.

Companies incorporated under authority of previous statutes

38 In case a company incorporated under the provisions of chapter 7 of the statutes of 1908, chapter 96 of *The Revised Statutes of Saskatchewan 1909*, or chapter 33 of the statutes of 1912-13, desires to take advantage of the provisions of this Act respecting the issue of debentures for any one or more of the following purposes, namely:

- (a) providing for the cost of a telephone system already constructed;
- (b) extending or adding to an existing system;
- (c) improving or reconstructing an existing system; or
- (d) purchasing the whole or any part of an existing system;

such company may be permitted to do so on such terms and conditions as shall be set forth in an order to be issued by the minister for that purpose.

1918-19, c.46, s.38; R.S.S. c.96, s.38.

EXECUTIONS FOR NONPAYMENT

Nonpayment of debenture when due

39 If the whole or a part of any payment on account of a debenture is not made when due and the holder obtains judgment against the company for the amount thereof, a writ of execution may be indorsed with a direction to the sheriff to levy the amount by rate and the proceedings thereon shall be as follows:

Service of writ

1. The sheriff of the judicial district in which the registered office of the company is situated shall deliver a copy of the writ and indorsement to the secretary of the company and to the secretary treasurer of each rural municipality within which lands liable for payment lie, or shall leave such copy at the offices or dwellings of such officers with a statement in writing of the sheriff's fees and of the amount required to satisfy such execution interest calculated to some day as near as convenient to the day of service;

Sheriff strikes a rate

2. In case the amount with interest thereon from the day mentioned in the statement is not paid to the sheriff within one month after the service, the sheriff shall examine the assessment roll of such municipality or municipalities and shall, in like manner as rates are struck in accordance with section 41, strike a rate on the lands liable for payment sufficient to satisfy the amount due on the execution with such addition to the same as he deems necessary to cover the interest and his own fees up to the time when, such rate will probably be available;

Precept to secretary treasurer

3. He shall thereupon issue a precept or precepts under his hand and seal of office directed to the said secretary treasurer or treasurers, and shall by such precept, after reciting the writ and that the company has neglected to satisfy the same, command the said secretary treasurer or treasurers to levy or cause to be levied such rate at the time and in the manner by law required in respect of the general municipal taxes

Levy of special rate

4. At the time of levying the annual rate next after the receipt of such precept the secretary treasurer shall add a column to the tax roll in the said municipality headed "Execution rate of *A. B. v. The _____ Rural Telephone Company, Limited*" (or, as the case may be, adding a column for each execution if more than one), and shall insert therein the amount by such precept required to be levied upon each person respectively and shall levy the amount of such execution rate as aforesaid; and such secretary treasurer so soon as the amount of such execution or executions is collected shall return to the sheriff the precept with the amount levied thereon;

Surplus

5. The sheriff shall after satisfying the executions and all fees thereon return any surplus within ten days after receiving the same to the secretary of the company;

Secretary treasurer an officer of court

6. The secretary treasurer or treasurers shall for all purposes connected with carrying into effect or permitting or assisting the sheriff to carry into effect the provisions of this Act with respect to such executions be deemed an officer of the court out of which the writ issued and as such shall be amenable to the court, and he may be proceeded against by attachment, *mandamus* or otherwise in order to compel him to perform the duties hereby imposed upon him;

Lands in more than one judicial district

7. Where the lands subject to levy for payment of the execution debt lie in more than one judicial district and the amount required to satisfy the debt with interest and costs has not been paid within one month of the delivery of the writ as provided by paragraph 1 of these proceedings as set forth in this section, the sheriff of the judicial district in which the registered office of the company is situated shall proceed to strike a rate upon the lands so liable in his judicial district in the manner set forth in paragraph 2, but such rate shall be restricted to an amount sufficient to satisfy a share of the execution debt and interest bearing the same proportion to the total debt and interest as the lands so liable in his judicial district bear to all the lands charged with payment, together with his own fees to the intent that all the lands charged with payment shall be equally rated;

Service of writ

8. The sheriff of any other judicial district in which lands chargeable with payment of the execution debt lie shall, on receipt of a writ indorsed to levy the amount as above mentioned, deliver a copy of the writ and indorsement to the secretary treasurer of each rural municipality in his judicial district within which such lands are situated, or leave such copy at the office or dwelling of the secretary treasurer with a statement in writing of his fees and of the amount required to satisfy the execution, including a sum for interest calculated to a day as near as convenient to the day of service;

Levy of special rate

9. On the expiration of one month from the date of delivery of a copy of the writ to the secretary of the company as provided by said paragraph 1 the sheriff shall proceed to levy a rate in the same manner as hereinabove provided with regard to the sheriff of the judicial district in which the office of the company is situated, but such rate shall be restricted to an amount sufficient to satisfy a share of the execution debt and interest bearing the same proportion to the total debt and interest as the lands so liable in his judicial district bear to all the lands charged with payment together with his own fees to the intent that all the lands charged with payment shall be equally rated;

Balance

10. Such a sheriff upon receiving the amount of the levy shall after payment of his own fees and expenses transmit the balance to the sheriff of the judicial district in which the office of the company is situated;

Application of paragraph 6

11. The provisions of paragraph 6 shall apply to the secretary treasurer of each rural municipality comprised in a judicial district wherein lands lie which are subject to levy under the provisions of this section.

1918-19, c.46, s.39; R.S.S. 1920, c.96, s.39.

Annual levy

40(1) Subject to the provisions of subsection (2) the amounts required to meet the payment of debentures and debenture coupons as they fall due together with such other payments as are required to be made under section 9 shall be levied as hereinafter provided on all lands charged with the repayment of the debenture loan.

Exemption

(2) The minister may by written order exempt any of the said lands from such levy and no levy shall be made on lands so exempted.

1918-19, c.46, s.40; R.S.S. 1920, c.96, s.40.

How determined

41(1) In order to determine the amount of the levy to be charged against each parcel of land all parcels of land enumerated and described in the notice authorising the debenture, except such as may be exempted therefrom under the provisions of this Act, shall be charged with and held liable for the total cost of the telephone system exclusive of the cost of house telephones, their, installation and connection with the main lines of the system; and the amount required to meet the total cost as it falls due shall be levied annually on the said parcels in proportion to their respective areas or acreage, each quarter section for this purpose being reckoned to contain one hundred and sixty acres.

(2) In addition to the charge specified in subsection (1) all parcels of land, the resident occupants of which are supplied with telephone service, shall be charged with and held liable for the cost of all house telephones, their installation and connection with die main lines of the system. The amount of the annual levy on these lands required to meet this cost as it fails due shall be levied equally on the said parcels irrespective of area or acreage.

1918-19, c.46, s.41; R.S.S. 1920, c.96, s.41.

Annual statement

42 The directors of every company shall cause annually to be prepared a statement showing:

- (a) the amount to be paid on the debenture coupon or coupons falling due during the current year together with any annual or other charges to be met under the provisions of section 9;
- (b) the proportion of such total amount to be levied on each parcel of land as provided for in section 41.

1918-19, c.46, s.42; R.S.S. 1920, c.96, s.42.

Assessments

43(1) On or before the first day of April in each year or as soon as practicable thereafter the secretary of the company shall send notice in writing to the secretary of each municipality in which such lands or any of them are situated setting forth the sum of money to be levied on each parcel of land for telephone purposes for the current year.

(2) Upon receipt of such notice the municipality through its proper officers shall make due provision for the levy and collection of every such sum and for that purpose all the provisions of the respective municipal Acts for the levying and collection of municipal taxes shall apply.

(3) Every sum of money levied or charged against land for telephone purposes as herein provided shall be regarded as a tax lawfully assessed upon the owner or resident part of such land and upon the land itself by such municipality, and shall be payable by him and recoverable against the said land at the same time as the taxes for such municipality are payable and recoverable by law.

1918-19, c.46, s.43; R.S.S. 1920, c.96, s.43.

Company in liquidation, notice by liquidator

44(1) In case of a company in process of liquidation the notice required by section 43 shall be given by the notice by the liquidator.

(2) Where the secretary or liquidator of the company, as the case may be, fails to give the notice required by section 43 before the fifteenth day of April in any year the minister may cause such notice to be given and on receipt thereof the proper officers of the municipality shall proceed in every respect as if such notice had been duly given by the secretary or liquidator.

1918–19, c.46, s.44; R.S.S. 1920, c.96, s.44.

Pavement of taxes by council

45(1) On or before the thirty-first day of December in each year or at a later date but not less than two weeks prior to the date upon which the next debenture payment of the rural telephone company falls due, the council shall pay to any rural telephone company for which it collects taxes the whole amount of the taxes due to such company for the year ending on such thirty-first day of December.

(2) The council may borrow moneys, on the credit of the taxes to be collected for the current year for any rural telephone company, to an amount not exceeding 80 per centum of the total estimated taxes so to be collected.

(3) In any case where the council borrows the amount to be paid to a rural telephone company under this section, the interest on the loan shall be payable to the municipality by the rural telephone company.

1918–19, c.46, s.45; R.S.S. 1920, c.96, s.45.

PART IV

MISCELLANEOUS PROVISIONS

***The Companies Act* applicable**

46 Except in so far as varied by this Act, the provisions of *The Companies Act*, shall apply to every company.

1918–19, c.46, s.46; R.S.S. 1920, c.96, s.46.

Approval of Lieutenant Governor necessary

47 Unless herein otherwise provided a company shall not be organised, incorporated and registered under *The Companies Act* for the purpose of carrying on a telephone business in Saskatchewan without the approval of the Lieutenant Governor in Council.

1918–19, c.46, s.47; R.S.S. 1920, c.96, s.47.

Powers and liabilities of old companies continued

48 All companies incorporated and registered under the provisions of chapter 7 of the statutes of 1908, chapter 96 of *The Revised Statutes of Saskatchewan 1909* or chapter 33 of the statutes of 1912–13 are hereby confirmed and continued as companies under this Act, and in addition to being subject to the provisions of this Act every such company shall continue to have, exercise and enjoy all the rights and powers and be subject to all the penalties and liabilities conferred upon such companies by the said first mentioned three statutes or such of them as may apply.

1918–19, c.46, s.48; R.S.S. 1920, c.96, s.48.

Exemption from assessment and taxation

49(1) Subject to the provisions of subsection (2), rural telephone system constructed, maintained and operated under the provisions of this Act shall be exempt from all assessments, rates and taxes whatsoever.

(2) Where a telephone exchange building is situated in a city, town or village, the building together with the lot or parcel of land upon which it stands shall be subject to assessment and taxation by the municipality.

1918–19, c.46, s.49; R.S.S. 1920, c.96, s.49.

Government assistance

50 The minister may furnish any company from time to time with telephone poles for the construction of its system, provided that the number of poles and the conditions under which they shall be supplied shall be fixed by regulations as approved by the Lieutenant Governor in Council.

1918–19, c.46, s.50; R.S.S. 1920, c.96, s.50.

Minister makes orders to meet inquiries

51 The minister may issue such orders and make such rules and regulations from time to time as he may deem advisable for the better carrying out the spirit and intent of this Act, and all such orders, rules and regulations shall be binding upon all parties concerned and have the same force and effect as if incorporated herein.

1918–19, c.46, s.51; R.S.S. 1920, c.96, s.51.

Forms

52 The forms referred to in this Act are the forms contained in the schedule hereto.

1918–19, c.46, s.52; R.S.S. 1920, c.96, s.52.

SCHEDULE

FORM A

(Section 24)

Form of a resolution

Resolved that the, board of directors of The _____ Rural Telephone Company No. _____ authorises the issue of a debenture by the company for the purpose of securing the funds necessary to provide for *(here state purpose of loan)*;

That the amount of such debenture shall be such as will on sale, in the opinion of the Local Government Board, as shown by its written authorisation, yield the sum of \$ _____ or such less sum as shall be stated by the minister to be necessary, and shall be-repayable in _____ years;

That the rate of interest upon such debentures shall not exceed eight per cent. per annum;

That the lands to be charged as security for such debenture as provided by *The Rural Telephone Act* shall be *(here enumerate and describe all such lands)*.

Dated this _____ day of _____ 19 _____.

FORM B

(Section 26)

Form of notice

Notice is hereby given that the board of directors of The _____ Rural Telephone Company has passed a resolution authorising the issue of a debenture for \$ _____ repayable in _____ years for the purpose of raising the funds necessary to provide for *(here state purpose)*.

In case you have any objection to said loan a statement of your objections should be furnished to me in writing on or before the _____ day of _____ 19_____.

Dated this _____ day of _____ 19 _____.

.....
Secretary.

FORM C

(Section 28 (b))

Form of secretary's declaration

Canada: }
Province of Saskatchewan. }

I, _____ secretary of The _____ Rural Telephone Company,
do solemnly declare:

That the provisions of section 11 of *The Rural Telephone Act* have been complied with and that every person entitled to receive the notice referred to in the said section has been served with same.

And I make this solemn declaration conscientiously believing the same to be true and knowing that it is of the same force and effect as if made under oath and by virtue of *The Canada Evidence Act*.

Declared before me at }
in Saskatchewan this }
day of _____ 19____. }

.....
A Comm., N. P. or J. P.

.....
Secretary's Signature.

FORM D

(Section 31)

Form of debenture

Debenture No. _____ . \$ _____

The _____ Rural Telephone Company of the Province of Saskatchewan promises to pay the bearer of this debenture at (*here state place of payment*) the sum of _____ dollars of lawful money of Canada with interest at the rate of _____ per centum per annum, the said payment to be made annually in equal payments of principal and interest combined as specified in the coupons attached hereto. -

Dated this _____ day of _____ 19 _____.

.....
President.

.....
Secretary.

FOR HISTORICAL REFERENCE ONLY

COUPONS

Form of coupon

Debenture No. _____. Coupon No. _____.

The _____ Rural Telephone Company of the Province of Saskatchewan will pay to the bearer at (*here state place of payment*) on the _____ day of _____ 19____ the sum of _____ dollars, being the _____ instalment of principal and interest due on that date on Debenture No. _____ issued by the said company.

.....
President.

.....
Secretary.

FOR HISTORICAL REFERENCE ONLY